



BUILDING TO #1
PRODUCT PROMOTION PLAN
SECOND SALES CYCLE
(FEBRUARY 28 - APRIL 21, 1972)



PHILIP MORRIS - U.S.A.

1005201332

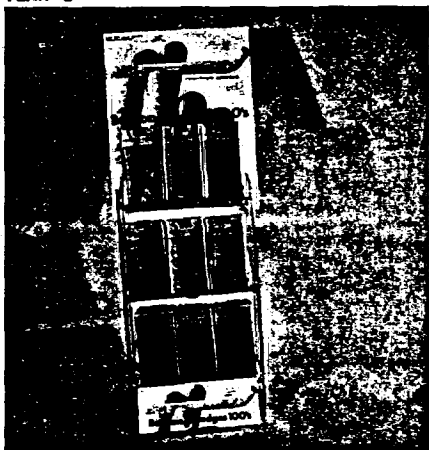
PLAN - A



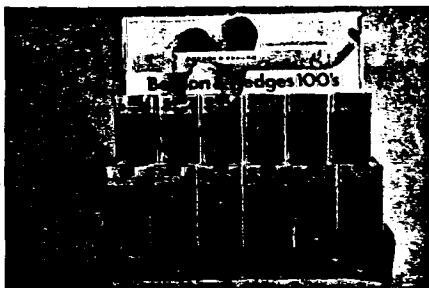
Location of Display
4th shelf or higher based on planogram.

Purpose of Display
 • Insure adequate product availability.
 • Improve product exposure.
 • Satisfy consumer demands for product.
 • Self-service.

PLAN - B



2/28 - 3/24

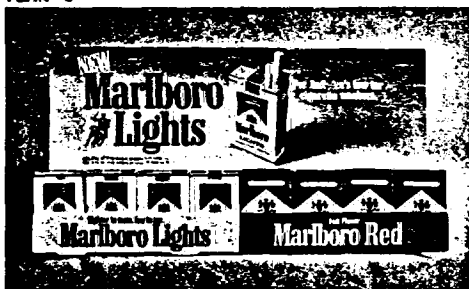


3/27 - 4/21

Location of Display
Front counter near cash register.

Purpose of Display
 • Insure product exposure at point of purchase.
 • Build brand influence.
 • Provide self-service and impulse buying.

PLAN - C



MARCH Location of Display
Placed at checkout areas within reach of consumer and close to cash register.



APRIL Purpose of Display
 • Insure product exposure at point of sale.
 • Provide consumer incentive.
 • Provide easy access to product.
 • Improve product exposure.

During this cycle Benson & Hedges will be the primary featured brand and Marlboro Lights and Parliament will be the secondary display brands.

1005201333

To: Sales Administration

Subject: PRODUCT PROMOTION 2ND SALES CYCLE-- MANAGEMENT ACCOUNTS

Date: ~~XXXXXX~~ FEB. 2, 1972

Other than the addressees, please make distribution of the attached item only in accordance with the distribution pattern checked in the appropriate boxes below:

1. GENERAL OFFICE DISTRIBUTION ☒

2. SALES STAFF DISTRIBUTION AS LISTED ☒

J. P. Jeb Lee (2)	D. Mulvey	E. Dieleman
J. J. Gillis (2)	J. Tarr	E. Johnson
E. E. Allen (2)	C. Whipple	
G. Karnal (2)		

3. FIELD DISTRIBUTION AS LISTED ☒

Region Managers
Section Sales Managers
Area Managers - Distributor Sales
Area Managers - Chain Sales
Division Managers
~~Military Representatives~~
Salesmen

4. SPECIFIC OFFICE DISTRIBUTION AS LISTED ☒

J. Landry	J. Gaynor	J. Morgan
M. Berkowitz	A. Gens	R. Pruehsner
A. Bick	J. Granville	R. Saleeby
R. Nolan	J. Hill	J. Kirtland
R. Cremin	S. Korsen	T. Walsh
W. Beyer	A. Levine	A. Bissmeyer
A. Breakstone	M. Lamster	R. Schonekopf
		T. Cawley

5. ATTACHMENTS ☒

1. _____
2. _____
3. _____
4. _____
5. _____

Per _____

1005201334

W.A. - August Mail wk. of 1-31-72

Brook P.R. 300 +

Management

Specific Activities (4 page filled sheet)

HCH 26 - 20MFA + 25MFA

Promotional Rationalization - M.C.

SYN

Merchandising Program Set-up

P.O.S. Listing

Adv. schedule

B.H. Ad. ^{Lighter} Offset
Ad. - reprint (color) Lighter

B.H. Ad. Reprints - Blk. + Whit.

4,000 or Hand

15-18-1 of 1-18-18 Ad Reprint - B+W
4,000 per hand

(each half page 4) estimated

AMCS + AMDS - 25 EACH

D.M. - SSM - RM } 10 EACH

(MR)

per hand

total 2.00

total 2.00

total (color) 2.00

15-18-18 - 15-18-18

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MANAGEMENT ACCOUNTS - SECOND SALES CYCLE

During the Second Sales Cycle, field sales force activities will be directed toward the support of:

PRIMARY	BENSON & HEDGES 100's	8 WEEKS
SECONDARY	MARLBORO LIGHTS	1st 4 WEEKS
	PARLIAMENT	2nd 4 WEEKS
TERTIARY	MARLBORO MENTHOL	8 WEEKS

PERIODS:

Management Accounts - Sell-In (Advance) 2/7 - 2/25
Sell Through 2/28 - 3/24

Retail 2/25 - 4/21

In order to prepare for the retail activity for the Second Sales Cycle, it is necessary that advance activities be carried out by members of the management accounts selling team. During the sell-in period, in addition to providing the necessary display arrangements, bulletins and merchandise for use of the retail teams, managers must also carry out their own tasks designed to insure distribution and availability of our products.

During the sell-through period, managers must supplement the activities of the retail teams by insuring the continuing flow of product to retail outlets, as well as carry out tasks on behalf of national area manager programs or programs developed on a local basis to improve our business on specific brands as may be required locally.

To do this properly, it is necessary that presentations be made to your accounts. Some of the principles of presentations you must bear in mind are:

DETERMINE YOUR OBJECTIVES - Establish specific objectives for each promotional brand or program. Write down a clear statement of your objectives.

PLAN YOUR STRATEGY - Plot your approach so that you appeal to the interest of your customers.

ORGANIZE YOUR IDEAS - How to carry them out

- Develop a strong opening statement
- State benefits
- Be prepared to handle objections
- Develop complete sell-through plans
- Closing

PRACTICE - Run through each account presentation at least twice from start to finish.

EVALUATE YOUR RESULTS - Carefully critique each presentation to evaluate your results. Ask yourself - Did I meet the objectives? If not, why? How can I strengthen the next presentation?

Your sales objectives for 1972 have been established and outlined to you. It is now up to you to equate these to your activities. You must formulate your plans to meet these objectives. You must also make frequent checks to determine your progress. None of us can be satisfied with our accomplishments until we have reached our objectives. There is too much at stake to accept anything less. I am confident that each of you share this feeling and will do your utmost to reach our ultimate goal - #1. Good Luck!

1005201337

AREA MANAGERS-CHAIN SALES - DIVISION MANAGERS
CHAIN OUTLET COVERAGE

Your activities in chain accounts during this period should include these areas:

1. DISTRIBUTION

Insure authorization for all our brands especially those featured during this period.

Close any authorization gaps on Marlboro Lights at this time.

2. MERCHANDISING PROGRAM

Note attached sheet showing merchandising display line-ups for this cycle. Insure that chain bulletins include proper advice and instructions to store managers. Make certain our men get copies of all store bulletins.

Establish specific plans to upgrade all Plan A locations by moving up to third shelf wherever possible and establishing plan-o-grams for placement of our major brands on our contract shelf, with our other brands being placed on other shelves. A complete program on this will be supplied to you shortly.

Arrange for automatic shipments of Marlboro Lights and Benson & Hedges 100's for Plan C displays - Do not rely on normal store stock to be sufficient for these displays. Make certain store distribution of extra quantities is made.

Assist salesmen in placing Plan C displays in chains assigned to you.

3. SURVEYS

Conduct store audits to make certain that:

- No out-of-stocks exist on our brands.
- All scheduled displays are up and properly positioned.
- Check and improve position of our brands on carton as well as single pack racks. Contact merchandisers and buyers to discuss your findings.

4. SPECIAL CONTACTS

Arrange to contact at least ten chain store supervisors during this period to enlist their support for your programs.

Begin a coverage of chains using vending machines to sell single packs. Contact all stores and insure that our brands are represented and that proper, clean labels are in place. Make all necessary corrections "on the spot".

Your

DIST

VEND

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AREA MANAGERS-DISTRIBUTOR SALES AND DIVISION MANAGERS (Where Applicable)
DISTRIBUTOR AND VENDOR COVERAGE

Your activities in distributors and vendors during this period should include:

DISTRIBUTORS

Sell-in all brands featured in the Product Promotion Plan.

Establish your objectives to sell-in 25% above normal requirements. Use your customer sales figures, share of market reports and other sales tools to illustrate the exceptional growth of Philip Morris brands. Place special emphasis on our 100 mm brands.

Continue your efforts to upgrade standing orders on all brands. Establish standing orders in those accounts presently not using them.

You will be advised via a separate bulletin of the Virginia Slims "Shopping Spree" Distributor Program. Follow these instructions carefully. Plan your activities to insure that all distributors are contacted on behalf of this program. Make every effort to have all assigned distributors participate in this program.

Work with the distributor salesmen whenever possible and encourage their complete support during the drive.

VENDORS

Contact all vendors and make certain that each is aware of our vending contract changes. Also insure that each account has the new report forms. Check your records to see that all quarterly invoices have been submitted. Obtain any that are delinquent.

Establish objectives with each vendor for the placement of Marlboro Lights and Marlboro Menthol in all possible machines. Keep yourself posted as to each vendor's acquiring new machines with 100 mm capability. Make certain our 100 mm brands are in these machines when placed on location.

When contacting your vendors, review all returns to make certain that no saleable merchandise is returned to our factory.

Work with the vendor servicemen whenever possible to gain additional column placements for our brands. Also insure that proper, clean labels for our brands are in all machines. Encourage these men to work for you at all times to improve placements of our brands.

The recent price increase of non-filter brands by American Tobacco Company may influence some vendors to slow down the placement of these brands. Take advantage of this situation to gain columns for our brands. Additional information regarding this subject will be forthcoming.

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DIVISION MANAGERS ONLY
RETAIL PREPARATION AND ACTIVITY

During the second sales cycle, your specific activities should include:

1. **SELECTION AND TRAINING** - Attempt to fill all vacancies existing as a result of deployment, promotions, or normal turnover. Carry out training of new men and re-training of older employees as outlined in Division Managers ASK Manual.
Work for at least one full day alone prior to February 25 on behalf of the second sales cycle promotion plan. Gain personal experience with this program so you will be better able to train and supervise your men during the cycle.
At the beginning of the retail portion of the second sales cycle, spend at least one day working with each of your newer men to assist them in getting the most out of this program.
2. **PERSONAL CONTACTS** - You are to contact at least fifty key retail outlets this period working alone. While calling on these, you should make complete calls just as you would expect your salesmen to do.
3. **MERCHANDISING PROGRAM** - Make certain that all contracts, information, payments, etc. are proper and up to date as pertains to all retail outlets reassigned as a result of redeployment.
Study the number of merchandising plans in each territory in comparison with that territory's marketing potential. Plan B and B-1 displays are once again available, and no account that can and will perform should be without a display.
Conduct specific merchandising program audits to determine that all displays are properly positioned in up-front locations, and that payments are being made and recorded properly. Make any necessary corrections "on the spot" and advise salesmen of your findings.
4. **REPORTING** - Carefully check each salesman's Daily Work Record, Weekly Expense Voucher and Weekly Scanner Sheet to make certain they are reporting all activities and expenses as instructed. Where necessary, counsel these men in the proper procedures. It is important that they understand why reporting is done in a specific manner as well as how it is done.
Analyze each salesman's accomplishments from the weekly scanner print-out. Compare the actual accomplishments to the objectives you have set for them. Where weaknesses are found, work with the men and demonstrate the proper technique.
5. **SWITCH SELLING** - The reduction in 20's used per day increases the importance that each one be used effectively. Make certain that all of your salesmen are switch selling as illustrated in the ASK Manual.

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PROMOTIONAL RATIONALE - BENSON & HEDGES 100's

Benson & Hedges, growing at better than a 13% rate, is in the elite top ten among all cigarette brands.

General advertising will continue to feature warm, humorous situations highlighting the "bent cigarette" and the brand's popular slogan - "America's Favorite Cigarette Break". The point-of-sale effort will repeat the generic advertising theme to reinforce brand image and awareness. Supplementing this will be a premium offer of a refillable butane cigarette lighter. The lighter, a \$5.00 retail value, will be available for \$2.00 and proof of purchase of two packs of Benson & Hedges. This offer will be carried in newspapers and national supplements. In addition, three (3) million books of matches featuring the lighter offer will be distributed. One-third (1 million) of these matches are allocated to the Philip Morris sales force. The balance will be placed in markets through distributors on an ad-space leasing arrangement.

Benson & Hedges will once again sponsor the Benson & Hedges 100's Grand Prix ski circuit -- nearly every weekend through the beginning of April. Supporting this brand sponsorship will be advertising in ski magazines and a travelling ski case offer.

MARLBORO LIGHTS

Marlboro Lights now in national distribution is meeting with great trade acceptance and consumer popularity. Early indications show that its acceptance comes at the expense of competitive high filtration cigarettes currently on the market with little or no effect on Marlboro Red sales. This low tar and nicotine category represents a large and growing segment of the national cigarette sales picture and consequently continued effort should be made to increase distribution and avoid out of stock situations.

PARLIAMENT

During 1971, Parliament enjoyed its best year since 1966. Total brand sales were up more than 7%. Both box and soft pack displayed increased vitality. The first full year of 100's sales contributed substantially to Parliament's position. Plans for this second cycle will give the field sales force the tools with which to give additional attention and support to Parliament.

The "cigarette holder" advertising copy on our point-of-sale pieces will be used. The success of the "cigarette holder" campaign is reflected in Parliament's sales growth. Promotional activities will continue to associate Parliament with up-scale quality and ideas.

MARLBORO MENTHOL

During 1971, Marlboro Menthol attained its highest sales position ever, with 19.9% growth during the year. As our 85 mm menthol product, with the greatest sales potential, it is essential that we use our best efforts to increase distribution and exposure of this brand in all possible outlets. For this reason, we are including it for a tertiary effort during the second cycle.

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MERCHANDISING PROGRAM SET-UP - SECOND SALES CYCLE

Specific merchandising program efforts are to be as follows:

- PLAN A - Continue all efforts to have our major brands on our contracted shelf and our lesser selling brands on non-contracted shelves. Establish plan-o-grams and distribute to the salesmen.

Establish objectives for each account to make these improvements.

Insure that Marlboro Lights is given adequate facings on all racks.

- PLAN B - Benson & Hedges 100's - Full eight weeks.

- PLAN B-1 - Large Section - Benson & Hedges 100's - Full eight weeks
Small Section - Marlboro Lights - First four weeks
Parliament 100's - Second four weeks

- PLAN C - March - Marlboro Lights
April - Benson & Hedges 100's

- PLAN C-1 - Not scheduled at this time.

(Refer to Product Promotion Plan cover for positioning of brands in these displays).

Our merchandising program represents an important part of our total marketing program. If the terms of our contract are met, our products will get optimum exposure to the consumer at the right place - the point of purchase, at the right time - when the consumer is in the act of buying.

It is your responsibility to see that all contracted accounts comply fully with our agreement terms.

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POINT-OF-SALE KIT
SECOND SALES CYCLE
FEBRUARY 28 - APRIL 21, 1972

<u>ITEM</u>	<u>SALESMAN</u>	<u>DM</u>
<u>BENSON & HEDGES</u>		
30-Pack Counter Selling Unit	125	125
Large Shelf Talker	30	30
Small Shelf Talker	150	-
<u>PARLIAMENT</u>		
20-Pack Merchandiser	50	150
Small Shelf Talker	50	-
Large Shelf Talker	30	30
<u>MARLBORO LIGHTS</u>		
30-Pack Merchandiser	50	150
Posters	100	-
<u>NOT ACCOUNTABLE ON DAILY WORK RECORD</u>		
Daily Work Record	2	1
Retail Order Books	2	-
Masking Tape	1	1
Scanner Sheets	10	-

1005201343

NATIONAL CONSUMER MAGAZINE 2/28 - 4/21

Benson & Hedges

Life
TV Guide
Time
Newsweek
U.S. News &
World Report
Sports Illustrated
Playboy
Esquire
Saturday Review
McCalls
Ladies Home Journal
Family Circle
Redbook
Cosmopolitan
Ebony
Jet
Essence
Black Enterprise
Contact

Parliament

Life
TV Guide
Time
Newsweek
U.S. News &
World Report
Sports Illustrated
Golf
Golf Digest
Saturday Review
Psychology Today
Intellectual Digest
McCalls
Redbook
House & Garden

Marlboro Lights

Life
TV Guide
Time
Newsweek
U.S. News &
World Report
Ladies Home Journal
Psychology Today
Cosmopolitan
Family Circle
Woman's Day
Southern Living

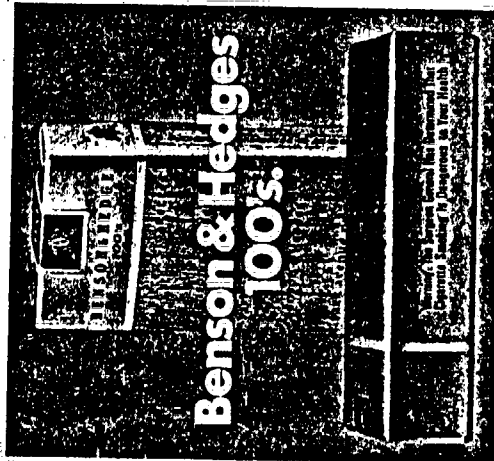
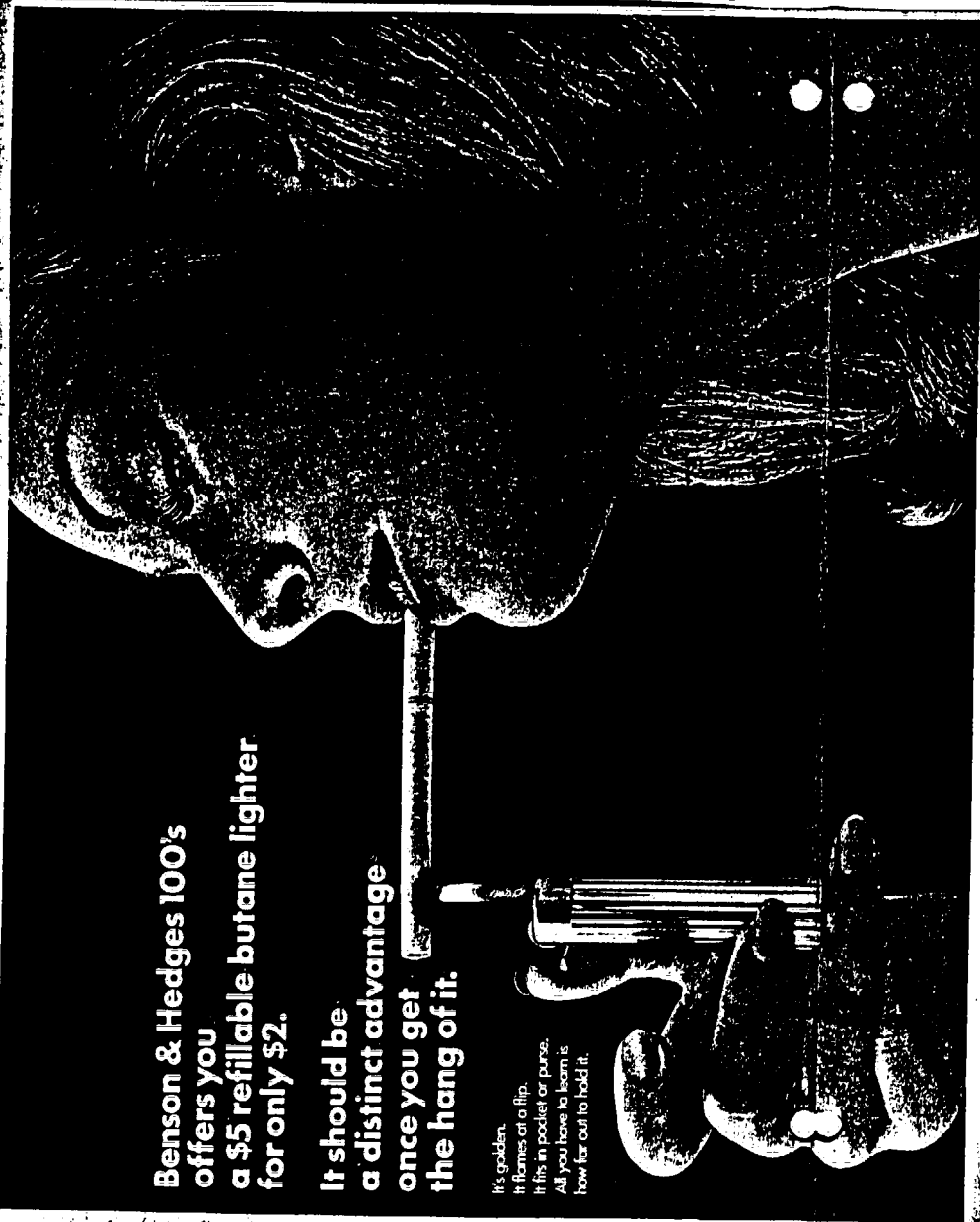
Consult your monthly advertising schedule for all area advertising programs.

1005201344

Benson & Hedges 100's
offers you
a \$5 refillable butane lighter
for only \$2.

It should be
a distinct advantage
once you get
the hang of it.

It's gradual.
It flames at a flip.
It fits in pocket or purse.
All you have to learn is
how far out to hold it.



Regular & Menthol. 21 mg. "tar," 1.4 mg. nicotine av. per cigarette, FTC Report, Aug. '71.

Benson & Hedges 100's
3221 Carter Ave.
Marina Del Rey
Calif. 90291



Please send me my
refillable butane
lighter. I enclose \$2
and two empty
packs of Benson &
Hedges 100's.
I prefer
☐ the ribbed style
☐ the spiral style.

Name _____

Street _____

City _____

State _____

Zip _____

Offer limited to people at least 21 years old. Allow 4 weeks for delivery. Offer expires Dec. 31, 1972, void where prohibited.

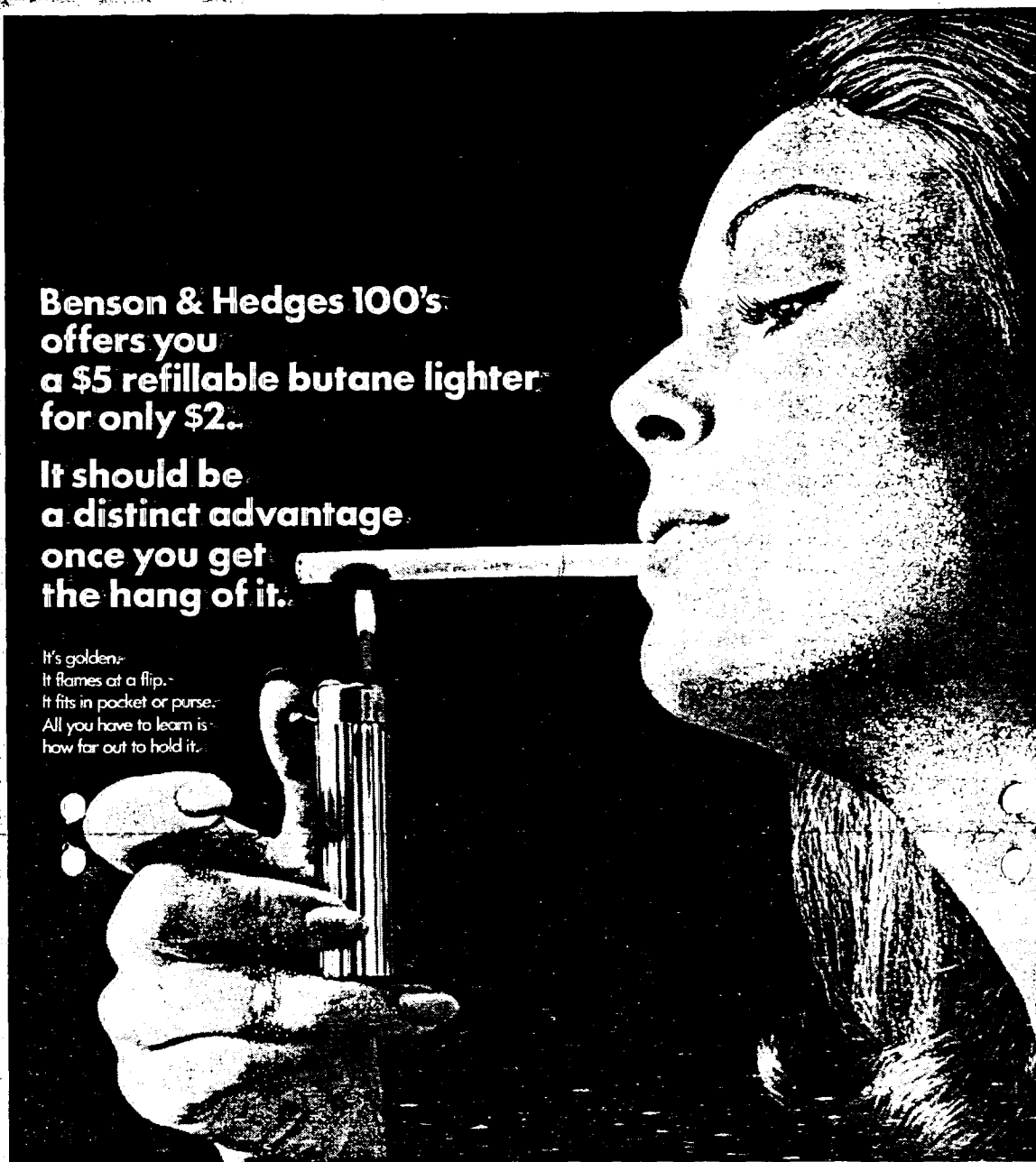
1005201345

As advertised in SUNDAY SUPPLEMENTS AND
REGULAR NEWSPAPERS.

**Benson & Hedges 100's
offers you
a \$5 refillable butane lighter
for only \$2.**

**It should be
a distinct advantage
once you get
the hang of it.**

It's golden.
It flames at a flip.
It fits in pocket or purse.
All you have to learn is
how far out to hold it.



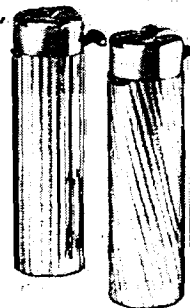
Regular & Menthol: 21 mg. "tar," 1.4 mg. nicotine av. per cigarette, FTC Report, Aug. 71.

**Benson & Hedges 100's,
3221 Carter Ave.,
Marina Del Ray,
Calif. 90291**

Please send me my
refillable butane
lighter. I enclose \$2
and two empty
packs of Benson &
Hedges 100's.

I prefer

- ☐ the ribbed style,
☐ the spiral style.



Name _____

Street _____

City _____

State _____

Zip _____

Offer limited to people at least 21 years old. Allow 4 weeks for delivery. Offer expires Dec. 31, 1972, and is void where prohibited.

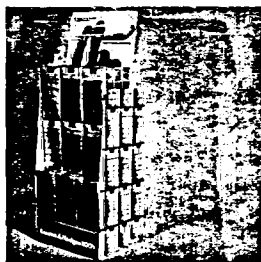
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ability.
or product.

of purchase.
rying.

point of sale -
ct.

SALES FEATURES



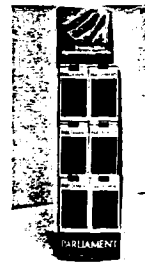
PRIMARY

Benson & Hedges 100's offer - 10% hand gratis per carton. Limit 5 cartons. Two should be menthol.



SECONDARY

Marlboro Lights - (2/28 - 3/24) 10% hand gratis up to 3 cartons.
Parliament - (3/27-4/21) 10% hand gratis up to 3 cartons. Emphasize 100's.



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(Note: These offers are available to non-direct accounts only and are not contingent on displays.)

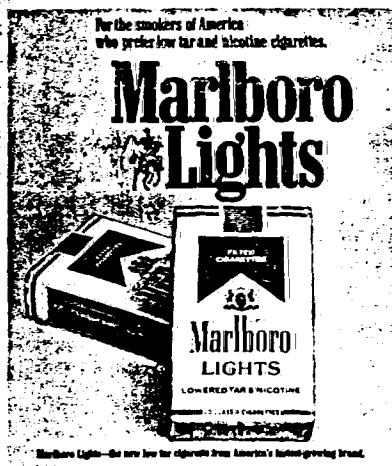
**Benson & Hedges 100's
offers you
a \$5 refillable butane lighter
for only \$2.**

**It should be
a distinct advantage
once you get
the hang of it.**

It's golden.
It flames at a flip.
It fits in pocket or purse.
All you have to learn is
how far out to hold it.



These and other advertisements will be used to support your sales efforts



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